

RCS Summary:

The Rent Comparability Study (RCS) is required to renew the HAP Contract under the Mark Up to Market Program and Option 2. In some Pre-MAHRA cases, it is also required for an AAF rent adjustment.

- For HAP Contract Renewals, the RCS is good for five years. In years two – five, the RCS comparable figure are increased by HUD's published Operating Cost Adjustment Factor (OCAF).
- For those required to submit a RCS with a Pre-MAHRA AAF rent adjustment, the study is good for one year and can be updated in subsequent years, as applicable.
- The RCS must be completed by a certified general appraiser, licensed and in good standing in the state where the property is located.

The following is a checklist of RCS requirements. Please refer to the Section 8 Guidebook, Ch. 9, Sections 9 – 14; 9-16; & 9-20 for references on the following checklist and more details:

RCS Checklist:

- ☐ Submission timeline: completed no earlier than 180 days prior to the contract expiration.
- ☐ Appraiser's Transmittal Letter (in accordance to Section 9 – 16)
- ☐ Broaden the description of the scope of work to include all requirements of the RCS
- ☐ Description of Subject Property (*including color photograph of exterior & interior*)
- ☐ Do the facts presented in the appraiser's narratives and grid accurately depict the subject? (Address, # of units, current rent; & amenities)
- ☐ Identification of the Subject's Market Area
- ☐ Description of Neighborhood
- ☐ Narrative Describing Selection of Comparable (*The guidebook suggests five comparables*)

- ☐ Locator Map for Subject and Comparables
- ☐ Rent Comparability Grid for each primary S8 unit type
- ☐ Narrative explaining Adjustment and Market Rent Conclusions (one set of explanations for each rent grid)
- ☐ Comparable Property Profiles (*each including a color photograph*)
- ☐ Appraiser's Certification (*Guidebook, Appendix 9-1*)

RCS Alternatives:

The Section 8 Guidebook allows for two alternative methods to demonstrate how the Section 8 rents proposed at renewal compare to the rents charged for other units:

- Comparing proposed Section 8 rents to the fair market rents (FMSs); and
- Comparing Section 8 rents to rents charged for other units in that Section 8 project

For more information on the RCS alternatives, reference the Section 8 Guidebook, Chapter 9, Section 9-4; 9-5; and 9-6

RCS Resources:

www.hud.gov - Access the Section 8 Guidebook or Rent Comparability HUD form, 92273-S8

www.appraisalfoundation.org - Details the Uniform Standards of Professional Appraisal Practice